

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6405

BILL NUMBER: SB 281

NOTE PREPARED: Jan 3, 2013

BILL AMENDED:

SUBJECT: Lobbying and Funding of Certain Organizations.

FIRST AUTHOR: Sen. Delph

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: *Lobbying Provisions:* This bill adds a prohibition against a lobbyist providing anything of value to, or paying for or reimbursing any expenses of, a legislative person when the legislative person is traveling out of state.

The bill makes it a Class D felony for a governmental entity to expend money to engage a lobbyist or a legislative liaison using revenue derived from the imposition of a tax. It also specifies that an agreement that provides for such a payment is void.

Appropriations for CSG, NCSL, and NCIL: This bill also invalidates any state appropriation that is made from a fund that receives revenue derived from the imposition of a state tax if the appropriation is to: (1) pay dues to; (2) pay fees to; or (3) make a reimbursement for expenses to attend meetings, conferences, or seminars of; the Council of State Governments (CSG), the National Conference of State Legislatures (NCSL), or the National Conference of Insurance Legislators (NCIL). It also prohibits the allotment of money from the fund for these purposes.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Appropriations for CSG, NCSL, and NCIL:* The bill prohibits any state appropriations or allotments after July 1, 2013, from a fund that receives revenue from a state tax if the appropriation or allotment is for payment of dues, fees, or expense reimbursements to the CSG, NCSL, or NCIL. Appropriations from the state General Fund for each year of the FY 2012-FY 2013 biennium totaled \$387,600 for these three organizations.

Penalty Provision: A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$3,234 annually, or \$8.86 daily, per prisoner. However, any additional expenditures are likely to be small. The average length of stay in Department of Correction (DOC) facilities for all Class D felony offenders is approximately ten months.

Explanation of State Revenues:

Penalty Provision: If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class D felony is \$10,000. However, any additional revenues would likely be small.

Explanation of Local Expenditures:

Penalty Provision: If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

Explanation of Local Revenues:

Penalty Provision: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

State Agencies Affected: Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources:

Fiscal Analyst: Alan Gossard, 317-233-3546.